COMMERCE AND INDUSTRIES SECRETARIAT

NOTIFICATION

Bangalore, dated 7th May 1974.

S.O. 2500—

In pursuance of sub-section (1) of Section 5 of the Mines and Minerals (Regulation and Development) Act, 1957, and as per directions of the Government of India, *vide* their letter No. MV-1 (826)/72, dated September 1973 under rule 55 of M.C.R. 1960, the Government of Karnataka hereby sanctions a Mining Lease in favour of M/s. R. D. Mendon and Sons for a period of 20 (twenty) years for Silica sand over an area of 217.64 acres (88.45 hectares) of land in Udiyavar village Udipi taluk, S.K. District, as per sketch furnished by the Director of Mines and Geology, Bangalore.

The Grant of the above said Mining lease is subject to terms and conditions appended hereunto.

Terms and conditions

(*a*) Mining Lease should be in respect of Silicas and only. If other Minerals are found in association with Silica Sand they should be brought to the notice of Government and if the lessee desires to mine these minerals along with Silica Sand they should do so only after the consent of Government is obtained in writing;

(*b*) Royalty at the rates prescribed in the Second Schedule to the Mines and Minerals (Regulation and Development) Act, 1957 or the dead rent at the following rate in respect of each mineral per hectare per annum whichever is greater, shall be charged provided that dead rent shall not be payable for the first year of the lease;

1st year of the lease	Nil.
2nd to 5th year of the lease	Rs. 12.50
6th to 10th year of the lease	Rs. 25.00
11th year and onwards of the lease	Rs. 37.50

(c) Surface rent at the rate of Rs. 2.50 per hectare per annum on the actual area used by the lessee for mining purposes shall be charged;

(d) If beryl or any other "Substance Prescribed" under Section 3 of the Atomic Energy Act, No. XXIX of 1948 is found to occur in the property under the lease, the lessee shall make available such mineral to the Government of India;

(e) The lease shall be subject to the provisions of Rules in Chapter IV of the Mineral Concession Rules, 1960;

(f) The lease shall also be subject to the rules issued under Section 18 of the Mines and Minerals (Regulation and Development) Act, 1957;

(g) The lessee shall pay to the Director of Mines and Geology in Karnataka, Bangalore, necessary 'security deposit for due observance of the terms and conditions of the lease in accordance with Rule 32 of the Mineral Concession Rules, 1960 before the lease is issued to him;

(h) The lessee shall submit confidentially from time to time or when required, progress reports to the Director of Mines and Geology along with analysis and representative samples of the ores collected during the mining operations;

(i) The lessee shall be governed by all conditions that may be incorporated in the lease deed to be executed;

(j) The lessee shall abide by the Rules contained in the Mysore State Forest Manual, if the leased area covers any forest land;

(k) The total area held by the lessee under Mining Leases including the present shall not exceed 25.9 Sq. Kilometers;

(*l*) Government shall have the right of purchasing the ore at current market rates;

(*m*) The lease would be determined if the lessee fails to commence effective mining operations within one year from the date of execution of lease Deed;

(*n*) The area mentioned above is subject to verification after actual survey;

(*o*) Local and other cesses as prevalent in South Kanara District.

(*p*) The lessee shall not carry on Mining operations within a distance of 150 Mts. from high Water mark and 10 m. from village roads.

[No. CI 94 EMI 73.]

By Order and in the name of the Governor of Karnataka,

RAMANJANEYA,
Under Secretary to Government,
Commerce and Industries Department.